



Dear Pharmacist

Changes in Discovery Health networks and rates for 2013

As the year draws to a close it is an opportune time to thank you for participating and contributing towards the success of Discovery Health's pharmacy networks. We also want to keep you updated about future changes and what you need to do if you want to change your participation in the network for next year.

Future changes: Performance-based remuneration

Discovery Health is currently exploring the feasibility of a performance-based remuneration and generic substitution structure. The concept of performance-based remuneration relies on formulary compliance and ensures that providers are remunerated for increased utilisation of formulary products. This again ensures minimal co-payments to our members.

This represents a significant change to the way we currently deal with pharmacy fees, and it also means that you will need to have access to the Discovery Health formularies from your pharmacy's software. We are working hard towards realising this goal, but with the amount of work that is needed, implementation will only be possible later during 2013. We are working with the various pharmacy groups and associations and you will be kept updated on the progress.

Making changes to your network participation in 2013

If you would like to continue your participation in Discovery Health's network in 2013 without any change, you do not need to complete another network participation form. Your network participation for 2013 will continue automatically with the rates and changes that were implemented on 1 October 2012.

If however you need to make a change or end your participation, please let us know. Email your request and the practice number to provider_administration@discovery.co.za. We will apply the change within 10 days.

In closing I would like to take a moment to reflect on the past year and on the way you have helped to support the pharmacy network. We value our relationship with you and look forward to working with you in the new year. I wish you a safe and happy holiday season where you share in life's delights with friends and family.

Kind regards

Suzanne van der Walt
Discovery Health

Medical scheme	Option Plan	Independent network rates (VAT incl.)	Discounted network rates for corporate pharmacies (VAT incl.)	Courier network rates (VAT incl.)	Non-network rates (VAT incl.)
		Reason code 476 <i>Paid at agreed dispensing fee. Confirm price diff.</i>	Reason code 476 <i>Paid at agreed dispensing fee. Confirm price diff.</i>	Reason code 476 <i>Paid at agreed dispensing fee. Confirm price diff.</i>	Reason code 592 <i>Non-network provider. Member to pay the balance</i>
All Schemes/Plans	Non-SEP and surgical	36% capped at R59.40	36% capped at R59.40	36% capped at R59.40	29.64% capped at R29.64
Discovery Health Medical Scheme	Other plans	36% capped at R59.40	29.64% capped at R29.64	29.64% capped at R29.64	29.64% capped at R29.64
	Discovery Delta	29.64% capped at R29.64	22.80% capped at R22.80	29.64% capped at R29.64*	29.64% capped at R29.64*
	Discovery KeyCare	18.24% capped at R18.24 with a R7.00 floor price	18.24% capped at R18.24	29.64% capped at R29.64*	29.64% capped at R29.64*
Anglovaal Group Medical Scheme		36% capped at R59.40	29.64% capped at R29.64	29.64% capped at R29.64	29.64% capped at R29.64
Altron Medical Aid		36% capped at R59.40	29.64% capped at R29.64	29.64% capped at R29.64	29.64% capped at R29.64
IBM SA Medical Scheme	Delta	29.64% capped at R29.64	22.80% capped at R22.80	29.64% capped at R29.64*	29.64% capped at R29.64*
LA Heath Medical Scheme	LA KeyPlus	18.24% capped at R18.24 with a R7.00 floor price	18.24% capped at R18.24	29.64% capped at R29.64*	29.64% capped at R29.64*
	Other plans	36% capped at R59.40	29.64% capped at R29.64	29.64% capped at R29.64	29.64% capped at R29.64
Lonmin Medical Scheme		36% capped at R59.40	29.64% capped at R29.64	29.64% capped at R29.64	29.64% capped at R29.64
MMED Option of Naspers Medical Fund		36% capped at R59.40	29.64% capped at R29.64	29.64% capped at R29.64	29.64% capped at R29.64
Naspers Medical Fund		36% capped at R59.40	29.64% capped at R29.64	29.64% capped at R29.64	29.64% capped at R29.64
Quantum Medical Aid Society	Other plans	36% capped at R59.40	29.64% capped at R29.64	29.64% capped at R29.64	29.64% capped at R29.64
	KeyCare	18.24% capped at R18.24 with a R7.00 floor price	18.24% capped at R18.24	29.64% capped at R29.64*	29.64% capped at R29.64*
Remedi Medical Aid Scheme	Acute	36% capped at R59.40	29.64% capped at R29.64	29.64% capped at R29.64	29.64% capped at R29.64
	Chronic	36% capped at R59.40	29.64% capped at R29.64	29.64% capped at R29.64	22.80% capped at R22.80
Retail Medical Scheme	Acute				29.64% capped at R29.64
	Chronic				22.80% capped at R22.80

Medical scheme	Option Plan	Independent network rates (VAT incl.)	Discounted network rates for corporate pharmacies (VAT incl.)	Courier network rates (VAT incl.)	Non-network rates (VAT incl.)
TFG Medical Aid Scheme		36% capped at R59.40	29.64% capped at R29.64	29.64% capped at R29.64	29.64% capped at R29.64
Tsogo Sun Group Medical Scheme		36% capped at R59.40	29.64% capped at R29.64	29.64% capped at R29.64	29.64% capped at R29.64
University of KwaZulu-Natal Medical Scheme	Other plans	36% capped at R59.40	29.64% capped at R29.64	29.64% capped at R29.64	29.64% capped at R29.64
	KeyPlus Plan	18.24% capped at R18.24 with a R7.00 floor price	18.24% capped at R18.24	29.64% capped at R29.64*	29.64% capped at R29.64*

- **A non-network penalty co-payment of 20% on chronic applies for KeyCare and Delta network option plans (excluding Delta Comprehensive)*
- *The above rates apply to all medicine benefits (acute and chronic) where not separately mentioned.*
- *Optipharm is the DSP for ARVs for Schemes administered by Discovery Health (Pty) Ltd. A co-payment of 20% will apply to all ARV claims submitted by other pharmacies and dispensing doctors.*
- *Exclusive courier pharmacy arrangements apply to our KeyCare and Delta network option plans, other courier pharmacies may therefore not participate in these networks.*
- *Independent pharmacies may downgrade to discounted corporate rates.*